

La Bahia development suitor resort veteran

Hotels & Boarding Houses

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Projects started in neighboring counties

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SANTA CRUZ — The San Luis Obispo company hoping to convert the La Bahia Apartments into a luxury, beach-front hotel is a growing operation already at work on waterfront projects in two neighboring counties.

King Ventures, a private development company, is building a resort in Marina and is about to start on three hotels at Oyster Point in South San Francisco.

King Ventures owns property throughout California and in the U.S. Virgin Islands and specializes in hotels and resorts.

The company has also renovated more than half a dozen historic buildings, according to a company brochure said.

The Santa Cruz City Council voted unanimously this week to meet with King Ventures, which is headed by John E. King, to discuss the La Bahia hotel project.

City Council members said they will insist the project use union labor, preserve the historic character of the building and involve the public. The city will contribute some money for the project through the Redevelopment Agency.

Built in 1926, the La Bahia looks out on the beach between the Municipal Wharf and the Boardwalk. Its Spanish Colonial bell tower distinguishes it from surrounding buildings. King proposes to keep the historic facade intact while expanding the property to 275 rooms.

Last month, the South San Francisco City Council unanimously approved a contract with King Ventures for the Oyster Bay project. Two council members flew to San Luis Obispo to see other King Ventures properties before the vote.

"You're always concerned with someone you don't know, that he's big hat, no cattle," said Council Member Gene Mullin, who made the trip. "I think we were persuaded that John King will do a good job."

However, Mullin said he could not fully endorse King yet because construction hasn't begun at Oyster Point.

"He hasn't turned a spade full of dirt yet," he said.

Mullin said King Ventures seemed willing to use union labor to build the project.

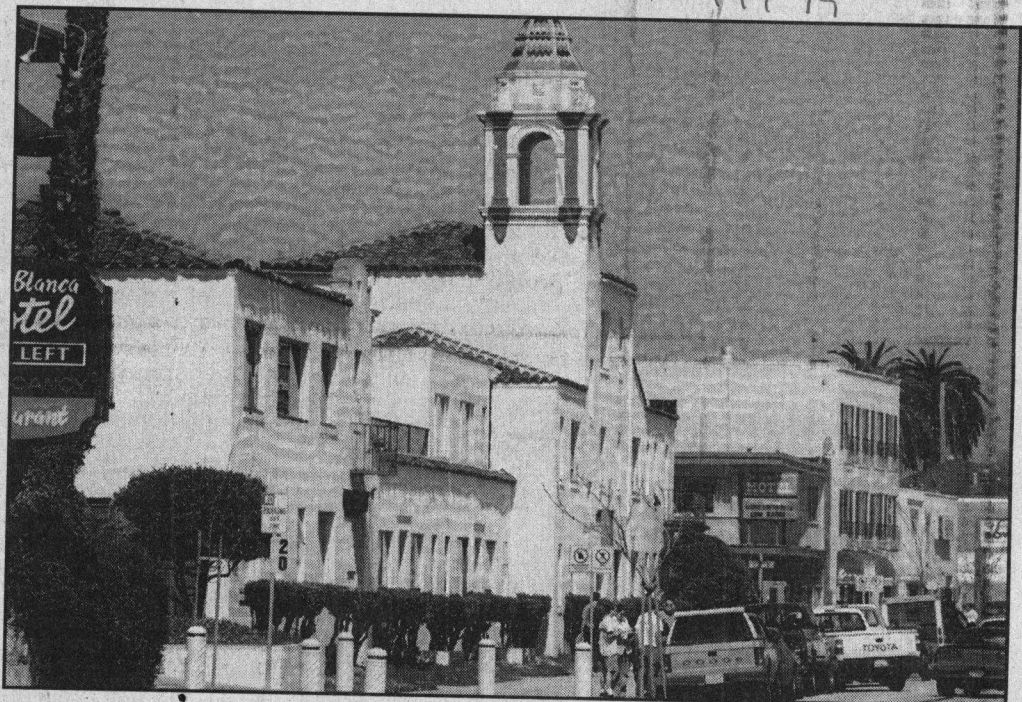
While the South San Francisco council cannot force a contractor to hire union labor, it can require that laborers receive the prevailing wage for the area, he said. The prevailing wage law encourages the contractor to employ union workers, he said.

South San Francisco owns the Oyster Point land, but the San Mateo County harbor district and the San Francisco Bay Conservation and Development Commission have jurisdiction over it, too. To get approval from all three bodies, King Ventures had to change plans several times.

Last year, King Ventures received approval from the Marina City Council to build a resort with 30 hotel rooms, 33 time share units, and a 120 seat restaurant on beach-front property.

The company wanted to build three times as many rooms, but the state Coastal Commission said no, according to Marina Planning Director Jeff Dack.

"The city has found them excellent to work with," Dack said. "They've stayed with a difficult project, and they've produced a good plan."



A San Luis Obispo company wants to convert the La Bahia Apartments into a luxury hotel.

Shmuel Thaler/Sentinel

The hotel and time shares are under construction and should be finished this summer, he said.

King Ventures has agreed to buy the La Bahia property from the Seaside Co. to develop the hotel. In a letter to the Santa Cruz city redevelopment agency, David Watson, director of planning for the company, said that the company hopes to complete designs and commence construction by the year 2000. It is asking the city for exclusive development rights while the planning proceeds.